

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

**SESSION LAW 2005-306  
HOUSE BILL 691**

AN ACT AUTHORIZING THE TOWN OF CARRBORO TO LEVY A MOTOR VEHICLE TAX NOT TO EXCEED TWENTY-FIVE DOLLARS AND RELATING TO THE IMPOSITION OF A MUNICIPAL TAX FOR PUBLIC TRANSPORTATION BY THE TOWN OF BLACK MOUNTAIN.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** G.S. 20-97(b) reads as rewritten:

"(b) General Municipal Vehicle Tax. – Cities and towns may levy a tax of not more than ~~five dollars (\$5.00)~~ twenty-five dollars (\$25.00) per year upon any vehicle resident in the city or town. The proceeds of the tax may be used for any lawful purpose."

**SECTION 1.(b)** Section 3 of Chapter 392 of the 1991 Session Laws, as amended by Section 5.1 of Chapter 339 of the 1995 Session Laws, is repealed effective upon the date the Town of Carrboro acts to levy an additional tax under this act.

**SECTION 1.(c)** This section applies to the Town of Carrboro only.

**SECTION 2.(a)** G.S. 20-97(c) reads as rewritten:

"(c) Municipal Vehicle Tax for Public Transportation. – A city or town that ~~operates~~ operates, or contracts with another municipal transit authority or other entity for the operation of, a public transportation system as defined in G.S. 105-550 may levy a tax of not more than five dollars (\$5.00) per year upon any vehicle resident in the city or town. The tax authorized by this subsection is in addition to the tax authorized by subsection (b) of this section. A city or town may not levy a tax under this section, however, to the extent the rate of tax, when added to the general motor vehicle taxes levied by the city or town under subsection (b) of this section and under any local legislation, would exceed thirty dollars (\$30.00) per year. The proceeds of the tax may be used only for financing, constructing, operating, and maintaining local public transportation systems. Cities and towns shall use the proceeds of the tax to supplement and not to supplant or replace existing funds or other resources for public transportation systems. This subsection does not apply to the City of Durham or to the cities and towns in Gaston County."

**SECTION 2.(b)** This section applies to the Town of Black Mountain only.

**SECTION 3.** This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 23<sup>rd</sup> day of August, 2005.

s/ Beverly E. Perdue  
President of the Senate

s/ James B. Black  
Speaker of the House of Representatives